

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Connect America Fund)	WC Docket No. 10-90
)	
Adak Eagle Enterprises, LLC d/b/a Adak)	WT Docket No. 10-208
Telephone Utility Petition For Waiver of)	
Certain High-Cost Universal Service Rules		

COMMENTS OF GENERAL COMMUNICATION, INC.

General Communication, Inc. (“GCI”) hereby comments on the Petition for Waiver filed by Adak Eagle Enterprises (“AEE”) seeking a waiver of the Commission’s limitation of high cost universal service support to \$3,000 per year. As with the waiver request filed by AEE’s subsidiary Windy City Cellular (“Windy City”), GCI neither supports nor opposes AEE’s request. GCI comments solely to clarify to the Commission and to its customers that it will continue to provide service on Adak Island even if AEE and/or Windy City found it necessary to cease operations entirely. In that worst-case scenario, GCI, as the only remaining Eligible Telecommunications Carrier (“ETC”), would be prepared to meet its obligations pursuant to Section 214(e). Adak Island would not become “a new unserved area,”¹ because GCI will continue providing both local connectivity and the long distance satellite links that connect Adak Island to the rest of the world.

GCI, under the brand name Alaska Wireless, operates a CMRS network on Adak Island via a single cell site and a repeater at the local fish plant. GCI’s universal service support for

¹ Petition for Waiver of Adak Eagle Enterprise, LLC, at 9, WC Docket Nos. 10-90, 07-335, 05-337, and 03-109, CC Docket Nos., 01-92 and 96-45, GN Docket No. 09-51, WT Docket No. 10-208 (filed May 22, 2012) (“Adak Petition for Waiver”).

these mobile wireless services is capped at \$3000 per line, and is subject to a further statewide Remote Alaska reduction factor, which is currently 92.51% (in other words, GCI receives approximately \$2775.30 per line for mobile wireless service on Adak Island.) GCI's CMRS network facilities are not dependent upon AEE facilities in any way that GCI could not replicate, if necessary. GCI is also one of two facilities-based long distance carriers (the other being AT&T) that connect Adak Island to the rest of the world. GCI does not depend on AEE to provide connections to and from Adak Island. Together, GCI's CMRS and long distance facilities allow GCI to provide local and long distance voice services to nearly all of the residents of Adak. In addition, in the event that Windy City ceases operation, GCI would be willing to take over and operate the White Alice cell site, which would permit GCI to expand its wireless voice service to cover all or nearly all of Windy City's existing residential customers not already within GCI's service area.

GCI, through its ConnectMD program, is also the service provider for Adak Island's rural health clinic. Although GCI currently leases AEE T-1 facilities to connect the clinic to GCI's earth station, GCI could construct alternative microwave facilities if necessary. Although GCI does not provide e-Rate services to the Adak schools today, GCI provides e-Rate services to many similarly situated small village schools in other parts of Alaska that are served only by satellite transport. Thus, GCI believes that it could provide these services to Adak schools as well.

Even if AEE and or Windy City elected to cease operations and its extant facilities could no longer be used or reasonably acquired, GCI could provide Adak Island with largely comparable USF-supported services for no more than the total amount of high-cost support that

would otherwise flow to GCI as a wireless CETC and to AEE subject to the \$3000 per line cap pursuant to the *USF Transformation Order*.² Specifically:

- Residential and small business customers will continue to have access to both local and long distance calling over GCI's CMRS network and long distance facilities. Adak Island residents will continue to be able to reach each other as well as local government, education, healthcare, and public safety entities through a telephone network.³
- GCI, as a CETC, will continue to provide Lifeline service to any qualifying consumer residing on Adak Island.
- The Eastern Aleut Tribe, Inc.'s rural health clinic will continue to have telecommunications connections to support telemedicine. GCI's ConnectMD program, which supplies these telemedicine connections, leases two T-1s from AEE, which GCI could replicate through microwave solutions.
- GCI would be capable of providing service to the Adak Public School, which is run by the Aleutian Region School District.
- GCI could deploy a WiFi-based fixed wireless broadband service, similar to what it has deployed in Dutch Harbor, that would provide broadband service to most, if not all, Adak residents.⁴

² GCI anticipates that it may need to invest in additional coverage and/or power for indoor use, as well as either to acquire facilities from AEE's estate or to construct new transmission paths for enterprise customers, and thus could require more support than it currently receives. In the case of Adak Island, GCI does not foresee that it would need to be compensated at more than the \$3000 per line cap in order to serve as Adak Island's only ETC. However, because GCI would have sole responsibility for all ETC service on Adak, it would also make sense to remove Adak Island from the Remote Alaska CETC cap, were AEE to cease operations. *See Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing a Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform--Mobility Fund; Report and Order and Further Notice of Proposed Rulemaking*, 26 FCC Rcd 1766, 17835-17836 ¶ 529 (2011) ("*USF/ICC Transformation Order*"). At present, the Remote Alaska cap has reduced CETC support to \$2775/line, and it is likely that support will continue to fall over time.

³ In fact as an ETC designated in Alaska, GCI is required to take steps to remain functional in emergency situations by maintaining at least eight hours of backup power, to reroute traffic around damaged facilities and to manage traffic spikes resulting from emergency situations to the extent feasible, and to establish procedures for employees to follow in an emergency to prevent or minimize interruption or impairment of telecommunications services. *See* 3 AAC 53.410(a)(12).

⁴ AEE offers residential broadband service with a maximum advertised speed of 256 kbps and 3 GB use for \$150/month. AEE's business broadband service has a maximum advertised

- In the event that it could not acquire the few private line circuits necessary to reach the small number of larger enterprise users on Adak, GCI believes it could provide similar service through microwave facilities to connect those users with GCI's satellite and switching hub.

Accordingly, and notwithstanding AEE's representations to the contrary, even if AEE decided to liquidate and remove all of its current facilities from service, it is unlikely that there would be significant, if any, loss of service on Adak Island. That presumes, of course, that the Regulatory Commission of Alaska expeditiously provided GCI with any required authorizations and that the FCC did not significantly reduce the total amount of high-cost funding flowing to the Adak Study Area, as capped pursuant to the *USF Transformation Order*. Thus, customers in Adak could continue to receive service without increasing the demands on the Universal Service Fund.

speed of 512 kbps with 3 GB included use for \$560/month. *See* <http://adaktu.net/index.php/internet>. AEE also has dedicated broadband offerings at higher rates. *See id.* By comparison, in Dutch Harbor, GCI offers a prepaid and postpaid broadband Internet access service with advertised maximum speeds up to 256 kbps, with 9 GB included use, for \$80/month. *See* attached rate information.

GCI thus neither supports nor opposes AEE Petition for Waiver, but nonetheless finds it necessary to correct AEE's assertion that denial of the waiver will "cause Adak to become a new unserved area,"⁵ and to assure the Commission that service on Adak Island can continue without increasing the current high-cost budget.

Sincerely,



Tina Pidgeon
Megan Delany
Chris Nierman
GENERAL COMMUNICATION, INC.
1350 I Street, N.W., Suite 1260
Washington, D.C. 20005
(202) 457-8815

John T. Nakahata
WILTSHIRE & GRANNIS LLP
1200 Eighteenth Street, N.W.
Washington, D.C. 20036
(202) 730-1300

Counsel for General Communication, Inc.

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⁵ Adak Petition for Waiver at 9.